

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF JACKSON ENERGY )  
COOPERATIVE CORPORATION FOR AN ) CASE NO. 2013-00219  
ADJUSTMENT OF RATES )

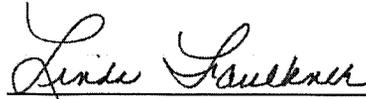
NOTICE OF FILING

Notice is given to all parties that the following materials have been filed into the record of this proceeding:

- The digital video recording of the evidentiary hearing conducted on January 28, 2014 in this proceeding;
- Certification of the accuracy and correctness of the digital video recording;
- A written log listing, *inter alia*, the date and time of where each witness' testimony begins and ends on the digital video recording of the evidentiary hearing conducted on January 28, 2014.

A copy of this Notice, the certification of the digital video record, and hearing log have been electronically served upon all persons listed at the end of this Notice. Parties desiring an electronic copy of the digital video recording of the hearing in Windows Media format may download a copy at [http://psc.ky.gov/av\\_broadcast/2013-00219/2013-00219\\_28Jan14\\_Inter.aspx](http://psc.ky.gov/av_broadcast/2013-00219/2013-00219_28Jan14_Inter.aspx). Parties wishing an annotated digital video recording may submit a written request by electronic mail to [pscfilings@ky.gov](mailto:pscfilings@ky.gov). A minimal fee will be assessed for a copy of this recording.

Done at Frankfort, Kentucky, this 3<sup>rd</sup> day of February 2014.

A handwritten signature in cursive script, reading "Linda Faulkner". The signature is written in black ink and is positioned above a horizontal line.

Linda Faulkner  
Director, Filings Division  
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BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF JACKSON ENERGY COOPERATIVE ) CASE NO. 2013-00219  
CORPORATION FOR AN ADJUSTMENT OF RATES )

CERTIFICATE

I, Sonya Harward, hereby certify that:

1. The attached DVD contains a digital recording of the Hearing conducted in the above-styled proceeding on January 28, 2014. Hearing Log and Witness List are included with the recording on January 28, 2014.

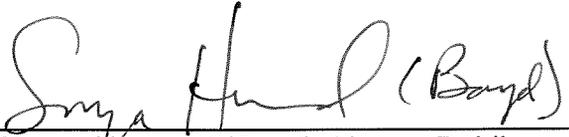
2. I am responsible for the preparation of the digital recording.

3. The digital recording accurately and correctly depicts the Hearing of January 28, 2014.

4. The "Hearing Log" attached to this Certificate accurately and correctly states the events that occurred at the Hearing of January 28, 2014 and the time at which each occurred.

Given this 28<sup>th</sup> day of January, 2014.



  
\_\_\_\_\_  
Sonya Harward (Boyd), Notary Public  
State at Large  
My commission expires: August 27, 2017



# Session Report - Detail

2013-00219\_28Jan2014

Jackson Energy Cooperative Corporation

Date:	Type:	Location:	Department:
1/28/2014	General Rates	Public Service Commission	Hearing Room 1 (HR 1)

Judge: David Armstrong; Linda Breathitt; Jim Gardner  
 Witness: James Adkins - for Jackson Energy; Mary Elizabeth Purvis - for Jackson Energy; Virginia Carol Wright - Jackson Energy  
 Clerk: Sonya Harward

Event Time	Log Event
9:58:01 AM	Session Started
9:58:04 AM	Session Paused
10:05:23 AM	Session Resumed
10:05:26 AM	Chairman Armstrong Opening Comments Note: Harward, Sonya
	Introduces himself, Vice Chairman Jim Gardner, and Commissioner Linda Breathitt.
10:05:43 AM	Attorney Introductions Note: Harward, Sonya
	Jackson Energy - Clayton Oswald; PSC - Quang Nguyen
10:06:08 AM	Public Notice was given.
10:06:09 AM	Camera Lock Deactivated
10:06:19 AM	Outstanding Motions Note: Harward, Sonya
	Utility recently filed to incorporate some rate comparisons and Commission Staff has no objection to those being allowed into the record.
10:06:43 AM	Public Comment Note: Harward, Sonya
	No one present.
10:08:06 AM	Witness Virginia Carol Wright (Jackson Energy) takes the stand and is sworn in. Note: Harward, Sonya
	President and CEO of Jackson Energy
10:08:53 AM	Atty. Oswald direct exam. of Witness Wright
10:09:46 AM	Atty. Oswald to Witness Wright Note: Harward, Sonya
	Asking Witness to describe the reason Jackson has come back to the Commission for an increase in rates.
10:13:53 AM	Atty. Oswald to Witness Wright Note: Harward, Sonya
	Asking Witness to describe the measures Jackson Energy has taken to control its costs.
10:19:32 AM	Atty. Oswald to Witness Wright Note: Harward, Sonya
	Asking Witness to describe the DSM programs Jackson Energy participates in.
10:23:32 AM	Atty. Oswald to Witness Wright Note: Harward, Sonya
	Asking Witness about the three installments of the rate increase.
10:24:35 AM	Atty. Oswald to Witness Wright Note: Harward, Sonya
	Witness adopts her previously filed testimony.
10:24:49 AM	Atty. Nguyen cross exam. of Witness Wright Note: Harward, Sonya
	Asking about the declining energy sales and the drivers for that.
10:27:22 AM	Atty. Nguyen to Witness Wright Note: Harward, Sonya
	Asking about the financial condition for 2013.
10:29:06 AM	POST HEARING DATA REQUEST by Atty. Nguyen Note: Harward, Sonya
	Submit financials for 2013 when they are complete.
10:30:15 AM	Vice Chairman Gardner Interjection Note: Harward, Sonya
	Clarified that Witness meant 0.84 operating tier for November 2013, not .084 as she stated.

10:32:38 AM	Atty. Nguyen to Witness Wright Note: Harward, Sonya	Asking about Strategic Plan for 2013-2016 and how utility is doing with its goals stated there.
10:35:04 AM	Atty. Nguyen to Witness Wright Note: Harward, Sonya	Asking for more specifics about the economic developments Jackson Energy is considering.
10:38:53 AM	Atty. Nguyen to Witness Wright Note: Harward, Sonya	Asking about customer charge not fully recovering the fixed cost.
10:40:32 AM	Atty. Nguyen to Witness Wright Note: Harward, Sonya	Asking about DSM programs.
10:41:52 AM	POST HEARING DATA REQUEST by Atty. Nguyen Note: Harward, Sonya	There are reporting requirements for the DSM ordered by the PSC...did Jackson Energy file these annual reports? Confirm or provide the reports.
10:44:25 AM	Atty. Nguyen to Witness Wright Note: Harward, Sonya	Asking if Jackson Energy works in conjunction with EKPC to seek and implement DSM programs.
10:46:07 AM	Atty. Nguyen to Witness Wright Note: Harward, Sonya	Asking about power purchased outside EKPC's power structure.
10:47:41 AM	Atty. Nguyen to Witness Wright Note: Harward, Sonya	Asking about Jackson Energy's Prepay Meter program and its status.
10:50:45 AM	POST HEARING DATA REQUEST by Atty. Nguyen Note: Harward, Sonya	Per Final Order in 2010-00210, provide required information related to the prepay program for 2011, 2012, and 2013.
10:53:11 AM	Atty. Nguyen to Witness Wright Note: Harward, Sonya	Asking about ways Prepay Meter program participants can check their usage.
10:54:13 AM	Vice Chairman Gardner cross exam. of Witness Wright Note: Harward, Sonya	Asking about AMI meters.
10:56:08 AM	POST HEARING DATA REQUEST by Vice Chairman Gardner Note: Harward, Sonya	Include in response to Atty. Nguyen's questions how many people get shut off from the Prepay Meter program on a yearly basis.
10:58:16 AM	Vice Chairman Gardner to Witness Wright Note: Harward, Sonya	Asking who are Jackson Energy's largest industrial customers.
10:59:29 AM	Vice Chairman Gardner to Witness Wright Note: Harward, Sonya	Asking if a cost benefit analysis has been done since Prepay Meter program began.
11:01:39 AM	Vice Chairman Gardner to Witness Wright Note: Harward, Sonya	Discussing remote connect and disconnect.
11:04:10 AM	Vice Chairman Gardner to Witness Wright Note: Harward, Sonya	Asking about decrease in population or customers.
11:05:56 AM	Vice Chairman Gardner to Witness Wright Note: Harward, Sonya	Referencing Adkins Testimony.
11:07:26 AM	Vice Chairman Gardner to Witness Wright Note: Harward, Sonya	Asking about paying out capital credits.
11:08:46 AM	POST HEARING DATA REQUEST by Vice Chairman Gardner Note: Harward, Sonya	Provide the amount of capital pay outs for deceased member estates in 2013.
11:09:00 AM	Commissioner Breathitt cross exam. of Witness Wright Note: Harward, Sonya	NRECA prepayment to plan.
11:10:51 AM	Commissioner Breathitt to Witness Wright Note: Harward, Sonya	Asking about Construction Work Plan, and the projects they have planned.
11:12:15 AM	Commissioner Breathitt to Witness Wright Note: Harward, Sonya	Asking about the Electric Thermal Storage DSM program.

11:13:10 AM	Commissioner Breathitt to Witness Wright Note: Harward, Sonya	Asking about the Economic Development Rider.
11:15:50 AM	Chairman Armstrong cross exam. of Witness Wright Note: Harward, Sonya	Asking about special rates for industrial customers and working with EKPC.
11:17:06 AM	Chairman Armstrong to Witness Wright Note: Harward, Sonya	Discussing Gov. Breashear's meeting and initiatives.
11:18:53 AM	Commissioner Breathitt to Witness Wright Note: Harward, Sonya	Follow up question about Economic Development Rider and reduced rates for industrial customers.
11:20:36 AM	Atty. Oswald redirect exam. of Witness Wright Note: Harward, Sonya	Discussing operating tier to clarify the numbers.
11:21:40 AM	Atty. Oswald to Witness Wright Note: Harward, Sonya	Discussing 2013 financials being provided and what may be the reason if there is a difference from 2012.
11:24:03 AM	Atty. Oswald to Witness Wright Note: Harward, Sonya	Discussing growing DSM programs.
11:26:09 AM	Witness Wright dismissed.	
11:26:22 AM	Witness James Adkins (for Jackson Energy) takes the stand and is sworn in. Note: Harward, Sonya	Utility Rate Consultant
11:27:30 AM	Atty. Oswald direct exam. of Witness Adkins Note: Harward, Sonya	Asking Witness to describe what part of rate application he assisted with.
11:28:18 AM	Atty. Oswald to Witness Adkins Note: Harward, Sonya	Witness adopts previously filed testimony.
11:28:27 AM	Atty. Nguyen cross exam. of Witness Adkins Note: Harward, Sonya	Referencing Response to Staff's 3rd Request, Item 3.e.
11:32:42 AM	Atty. Nguyen to Witness Adkins Note: Harward, Sonya	Referencing Response to Staff's 3rd Request, Item 7.
11:34:20 AM	Atty. Nguyen to Witness Adkins Note: Harward, Sonya	Asking about cost savings implemented in 2013 that were recurring or on a one-time basis, and if those listed on additional pages to Response to Item 7 to Staff's 3rd Request are some of them.
11:37:50 AM	Atty. Nguyen to Witness Adkins Note: Harward, Sonya	Asking why Jackson Energy did not ask for approval of the depreciation rates as determined in the Depreciation Study that was done.
11:41:14 AM	Atty. Nguyen to Witness Adkins Note: Harward, Sonya	Referencing Response to Staff's 4th Request, Item 3.
11:43:34 AM	Atty. Nguyen to Witness Adkins Note: Harward, Sonya	Referencing Response to Staff's 2nd Request, Item 6.a.
11:44:12 AM	POST HEARING DATA REQUEST by Atty. Nguyen Note: Harward, Sonya	Provide the test-year billing determinants for these customers individually. (Customers listed in Response to Staff's 2nd Request, Item 6.a.)
11:44:19 AM	Vice Chairman Gardner cross exam. of Witness Adkins	
11:45:26 AM	POST HEARING DATA REQUEST by Vice Chairman Gardner Note: Harward, Sonya	For Residential, what percent was the customer charge and what percent was the energy charge and what it would be with the increase, broken down into subparts so he can see what an average customer's bill will be.
11:46:00 AM	Vice Chairman Gardner to Witness Adkins Note: Harward, Sonya	Referencing Wright Testimony, page 3, question 10.
11:48:43 AM	Vice Chairman Gardner to Witness Adkins Note: Harward, Sonya	Asking about how much Witness is billing Jackson Energy.

11:50:03 AM Vice Chairman Gardner to Witness Adkins  
Note: Harward, Sonya Asking about Depreciation Study.

11:50:55 AM Atty. Oswald to Witness Adkins  
Note: Harward, Sonya Asking if there has been and updated accounting of rate case expenses to be filed with the Commission.

11:51:26 AM Witness Adkins dismissed.

11:51:38 AM Witness Mary Elizabeth Purvis (for Jackson Energy) takes the stand and is sworn in.  
Note: Harward, Sonya Consultant

11:52:39 AM Atty. Oswald direct exam. of Witness Purvis  
Note: Harward, Sonya Asking Witness to describe what part of rate application she assisted with.

11:53:32 AM Vice Chairman Gardner cross exam. of Witness Purvis  
Note: Harward, Sonya Witness directs Vice Chairman Gardner to Application, billing analysis, Exhibit I.

11:55:27 AM Vice Chairman Gardner to Witness Purvis  
Note: Harward, Sonya Witness directs Vice Chairman Gardner to the Application, Exhibit G, Rate 10, and the answer of 1.7 percent.

11:56:15 AM Vice Chairman Gardner to Witness Purvis  
Note: Harward, Sonya Clarified his post hearing data request.

11:57:15 AM Atty. Oswald restates the request for clarity.

11:57:48 AM Witness Purvis dismissed.

11:58:04 AM Witness Wright is recalled to the stand.

11:58:23 AM Vice Chairman Gardner to Witness Wright  
Note: Harward, Sonya Asking about Witness's Testimony, Exhibit H-1, page 3, answer to question 10.

11:59:13 AM POST HEARING DATA REQUEST by Vice Chairman Gardner  
Note: Harward, Sonya Provide the correct number Vice Chairman Gardner asked about in Wright Testimony, Exhibit H-1, page 3, #10.

11:59:24 AM Witness Wright dismissed.

11:59:38 AM Responses to Post Hearing Data Requests due Feb. 4, 2014.

12:00:37 PM Hearing adjourned.

12:00:43 PM Session Paused

12:06:15 PM Session Ended